

**CHALLENGES OF IMPLEMENTING CUSTOMER RELATIONSHIP  
MANAGEMENT SYSTEMS IN ELECTRONIC MEDIA HOUSES, KENYA**

**By  
ABOKA, JOYCE SHISUNU**

**A Research project submitted in partial fulfillment of the requirements for the  
award of the Degree of Master of Business Administration (MBA) University of  
Nairobi.**

**October 2013**

## DECLARATION

The research project is my original work and has not been presented for examination in any other university.

Signed.....

Date.....

Aboka, Joyce Shisunu

D61/P/7201/2003

This management research project has been submitted for examination with my approval as university supervisor

Signed.....

Date.....

Ms. Catherine Ngahu

## **DEDICATION**

I dedicate this work to my mum Mrs Anne Aboka for the undying support and encouragement to pursue and complete my project, to my loving husband Eric Kilongi for his patience, support and understanding throughout the course of my study.

## **ACKNOWLEDGMENTS**

The path towards completion of this research project has been long, with many challenges and lessons. There are many people who in one way or another greatly assisted in the process. I wish to convey my heartfelt gratitude to all of them.

Special thanks to my supervisor Ms. Catherine Ngahu whose guidance facilitated the realization of this work. Your invaluable critique and input in terms of materials and discussions opened my mind to the quality of academic writing.

The various respondents from the media houses in Kenya who took their valuable time to provide the necessary information for the study, I would want to thank them very sincerely for freely sharing knowledge and ideas on this subject under study. Their input was very critical in establishing the findings for this study in which conclusions are made and therefore bringing it to an end.

# TABLE OF CONTENTS

<b>DECLARATION</b> .....	ii
<b>DEDICATION</b> .....	iii
<b>ACKNOWLEDGMENTS</b> .....	iv
<b>LIST OF TABLES</b> .....	viii
<b>ABSTRACT</b> .....	ix
<b>CHAPTER ONE: INTRODUCTION</b> .....	1
1.1 Background of the Study.....	1
1.1.1 The Adoption Process .....	2
1.1.2 Customer Relationship Management (CRM).....	3
1.1.3 CRM and sales people.....	5
1.1.4 Electronic Media Houses in Kenya.....	5
1.2 Statement of the problem .....	7
1.3 Research Objective .....	9
1.4 Value of the Study .....	9
<b>CHAPTER TWO: LITERATURE REVIEW</b> .....	10
2.1 Introduction.....	10
2.2 Theoretical Perspectives .....	10
2.2.1 Diffusion of Innovations Theory.....	10
2.2.2 Theory of Planned Behavior .....	11
2.2.3 Technology Acceptance Model.....	12
2.3 The concept of CRM.....	13
2.4 Sales people and CRM.....	16
2.5 Factors influencing CRM adoption.....	17

<b>CHAPTER THREE: RESEARCH METHODOLOGY .....</b>	<b>20</b>
3.1 Introduction.....	20
3.2 Research Design.....	20
3.3 Target Population.....	20
3.4 Data Collection .....	20
3.5 Data Analysis .....	21
<b>CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSION .....</b>	<b>22</b>
4.1 Introduction.....	22
4.2 Response rate .....	22
4.3 Challenges in CRMs adoption .....	22
4.3.1 Organizational Characteristics .....	23
4.4 Organizational Staffing.....	23
4.5 Organizational Leadership Characteristics .....	24
4.6 Environment.....	25
4.7 Process .....	25
4.8 Infrastructure.....	26
4.9 Advantages of Adoption of CRM systems .....	26
4.10 Steps to overcome challenges in CRM systems Adoption .....	27
<b>CHAPTER FIVE .....</b>	<b>28</b>
<b>SUMMARY, CONCLUSION AND RECOMMENDATIONS .....</b>	<b>28</b>
5.1 Introduction.....	28
5.2 Discussion.....	28
5.3 Conclusions.....	29
5.4 Recommendations.....	30
5.5 Limitations of the study .....	30
5.6 Suggestions for further research .....	30
5.7 Implications for Policy and Practice .....	30
<b>REFERENCES.....</b>	<b>31</b>

<b>APPENDICES</b> .....	36
Appendix I: Questionnaire .....	36
Appendix II: List of Licensed Electronic Media Houses .....	39

## LIST OF TABLES

Table 2.1: Dominant perspectives on crm .....	14
Table 4.1: Response rate per classification of media houses.....	22
Table 4.2: Mean and percentages on organizational characteristics as challenges to CRMs implementation .....	23
Table 4.3: Mean and percentages on organizational staffing as challenges to CRMs implementation .....	24
Table 4.4: Mean and percentages on organizational leadership characteristics as challenges to CRMs implementation .....	25
Table 4.5: Mean and percentages on process characteristics as challenges to CRMs implementation .....	25
Table 4.6: Mean and percentages on IT Infrastructure as challenges to CRM systems implementation .....	26
Table 4.7: Advantages of adoption of CRM systems .....	27

## **ABSTRACT**

In order to respond to the market demand, modern organizations have taken up Customer Relationship Management (CRM) Systems. This study sought to identify the challenges of implementing Customer Relationship Management systems in electronic media houses in Kenya. With a structured questionnaire targeting all the 58 media houses in Kenya, a response rate of 80.85% was achieved. Of the 47 respondent media houses, only 22 have so far implemented the CRM systems. The study results indicate that organization size, information systems capabilities, knowledge management capabilities, staff incentive initiatives, attitude on job security, leadership style, leadership innovation, leadership commitment, processes of marketing, sales and services, appropriate IT platforms and system designs are all deemed as challenges to the implementation of CRM systems by the respondents to a great extent. The study findings appreciate the benefits of CRM systems adoption which include increased operational efficiency, increased sales efficiency, generation of product development knowledge, customer satisfaction and retention, identification of cross selling opportunities, improved customer loyalty, real time information sharing amongst employees, identification of target customers, capturing and rewarding expertise of highest performers and generation of sales leads. For the success of the implementation, the study recommends managing of the human factor for both the employees and the clients of the organizations.

## CHAPTER ONE: INTRODUCTION

### 1.1 Background of the Study

The business environment has become extremely competitive with new entrants into the market place seeking a share in the market that is not growing as fast as the numbers of new entrants are; there is need for businesses to guard their existing clientele to avoid losing to competition. One way that businesses are dealing with this challenge is adoption of Customer Relationship Management (CRM) Systems. Customer Relations Management systems is defined as the bundling of customer strategy, and processes, supported by the relevant software, for the purposes of increasing customer loyalty, and eventually corporate profitability Rigby et al, (2002).

Various theories have been developed to study how technology is adopted they include the Innovation Diffusion theory that looks at how innovations are taken up in society and there are five categories of adopters from innovators who are quick to develop and use technology to laggards who resist and sometimes never take up technology. Another theory is that of Planned Behavior that sees attitudes towards a particular behavior and the subjective norms predicts how a person will react to a new technology.

Many organizations have rushed to adopt CRM systems thinking that it is the panacea to their myriad of problems in attracting new and retaining existing clients. However, Giga (as cited by Bull, 2003) states that 70% of CRM adoptions in companies fail. Giga states that companies underestimate the complexities of CRM, lack clear business objectives and tend to invest inadequately in the provision of CRM software. Further, according to Dimitriadis and Stevens (2008) adoption of CRM Systems has not resulted in significant growth in the business and sometimes has even led to losses that lead to the question of their value to organizations. It also raises the question why do these organizations fail in their implementation of CRM systems?

As part of the implementation process of CRM systems various teams are involved in the process. These include: customer service, the marketing team and the sales force. The sales force source for clients, hold meetings and sell as well as collect important data on clients that is useful for companies. It is important that their activities are automated to make their work organized and for management to closely monitor their activities as well as their relationship with the customers.

Sebestyenova (2007)) states that automation is using technologies including computer processing to make decisions and implement programmed decision processes. Mishra and Mishra (2009) see the CRM system as the automation of horizontally integrated business processes involving customer touch points such as sales, marketing and customer service through multiple, interconnected delivery channels.

### **1.1.1 The Adoption Process**

Various researches carried out in areas of CRM or Sales Force Automation (SFA) have shown that various external factors that include organizational factors, individual characteristics, and social norms as backgrounds for explaining CRM technology acceptance and use by individuals. Various theories have also been developed to explain the uptake or resistance in use of technology.

Rogers (1983) reviewed over 3,000 studies of adoption and diffusion of innovations and revealed five general attributes of innovations that regularly influence adoption. These are relative advantage, compatibility, complexity, observability and trialability. Tornatzky and Klein (1982) added five other characteristics to Rogers (1983) list which include cost, communicability, divisibility, profitability, and social approval.

Rogers developed the theory of Innovation Diffusion that seeks to explain how innovations are taken up in society and postulate that there are five categories of adopters in regard to technology. The five categories consist of innovators, early adopters, the early majority and late majority as well as laggards.

Ajzen (1980) formulated the Theory of Reasoned Action where he postulates that a person's behavior is determined by intention to perform the behavior and that this intention is, in turn, a function of attitude toward the behavior and subjective norm. Later, Ajzen (1991) developed the Theory of Planned Behavior that holds that only specific attitudes toward the behavior in question can be expected to predict that behavior. In addition to measuring attitudes toward the behavior, there is need to measure people's subjective norms which are beliefs about how people they care about will view the behavior in question. To predict someone's intentions, knowing these beliefs can be as important as knowing the person's attitudes.

Davis (1989) put across the Technology Acceptance Model that stated that perceived ease of use of a technology and perceived usefulness of the system are factors that determine attitude which in turn determines behavior toward adoption or rejection of a technology such as CRM.

### **1.1.2 Customer Relationship Management (CRM)**

Since the late 1990s the use of Customer Relationship Management has grown due to the competitive nature of the business environment, new companies are entering the market place seeking business from the same customers. Customers have become complex and demanding to be treated as individuals and not as a batch that is not differentiated. Organizations that respond to this demand are able to gain new businesses and grow while those that continue to operate in the same old way without distinguishing their client needs will die. In order to respond to the market demand, organizations have taken up Customer Relationship Management (CRM) Systems.

Customer relationship management (CRM) is a combination of people, processes and technology that seeks to understand a company's customers. It is an integrated approach to managing relationships by focusing on customer retention and relationship development. CRM has evolved from advances in information technology and organizational changes in customer-centric processes. Companies that successfully

implement CRM will reap the rewards in customer loyalty and long run profitability. However, successful implementation is elusive for many companies, mostly because they do not understand that CRM requires company-wide, cross-functional, customer-focused business process re-engineering. Although a large portion of CRM is technology, viewing CRM as a technology-only solution is likely to fail. Managing a successful CRM implementation requires an integrated and balanced approach to technology, process and people (Injazz et al, 2003).

CRM has also been defined as a business strategy, a philosophy, a business process as well as a technology Khalid et al (2011). As a strategy, CRM is seen as a customer-focused business strategy that aims to increase customer satisfaction and customer loyalty by offering a more responsive and customized services to each customer Croteau and Li (2003)

CRM is viewed as the philosophy, policy and coordinating strategy mediated by a set of information technologies, which focuses on creating two way communications with customers so that firms have an intimate knowledge of their needs, wants, and buying patterns. Lun et al (2008). CRM as a business process is defined as a macro-level (i.e., highly aggregated) process that subsumes numerous sub-processes, such as prospect identification and customer knowledge creation Srivastava (1999). As a technology, CRM is an enabling technology for organizations to foster closer relationships with their customers Hsieh (2009).

Much as there is need for these systems and many companies have in the past decade rushed to embrace them, the successful adoption of the systems have been low with a failure rate of up to 70%. According to a Gartner study, up to 80 percent of organizations do not understand how customer relationship management (CRM) creates value in their customer base Rigby, et al, (2002). The lack of understanding in organizations has led to failure to develop good CRM strategies therefore not making the most of these systems.

Due to the high failure rate of CRM, experts and researchers have sought to find out the reason for this problem. According to Caulfield (2001), CRM initiatives usually involve a number of departments where poor and insufficient understanding among the management and employees of the organization of the CRM initiative become reasons for failure. Data quality issues contribute to a 55-70% failure rate for CRM initiatives Dubois (2002).

### **1.1.3 CRM systems and sales people**

Sales people use CRM systems to record customer information, follow up, store customer emails, and plan their days as well as record calls. When all this data is kept in one database, they are able to do their work in a more effective and efficient way, they also save time accessing data from different sources. They can be considered to be on the forefront of entering data and thus affect the quality of data received.

Davey (2011) quoting Mc Pheat who states that organisations face challenges in dealing with sales people who love interacting with people, not with CRM programmes. McPheat cited by Davey (2011) adds that sales people prefer making calls or go to prospect instead of updating their records. This worsened due to the fact that their commissions depend on the results that they achieve and not on the records they keep. Rutherford cited by Davey (2011) adds that then it becomes difficult to justify the usefulness of entering information into a system that may enable someone else to capitalize on sales people's hard work, and potentially lose them some commission.

### **1.1.4 Electronic Media Houses in Kenya**

The Kenya media has grown since the coming of multiparty democracy 1992 that led to liberalization and the licensing of Frequency Modulation (FM) stations. There are both government and privately owned media houses in Kenya. The government run media house is KBC that has several radio stations that are both national and regional as well as the TV Station. Amongst the private players are the Nation Media Group, that owns the leading newspaper Daily Nation and other publications such as the Business Daily, The

East African, Taifa leo, two radio stations Easy Fm and Q Fm, two TV stations QTV and NTV. The other media houses include the Standard Group that owns the oldest newspaper in Kenya the Standard, a TV station KTN and a Swahili Radio Station, Radio Maisha.

Radio Africa Group is another media house with five radio stations namely Kiss Fm, Classic 105, XFM, East Fm and Radio Jambo, as well as a TV station Kiss TV and a newspaper the Star. There is also the Royal Media Services that own Citizen TV, Citizen Radio and a number of local vernacular stations. Mediamax runs the K24 TV station, Kameme radio station, Milele Fm and the People Daily Newspaper. Kenya implemented a new constitution in 2010 that has seen decentralization of government to grass roots thus regional media houses are cropping up such as Ghetto radio to Radio Lake Victoria amongst other players. There are also pay TV players who run satellite and digital media houses that include DSTV, Star times and Zuku that also offers TV, internet and pay phones as a package.

According to the CCK website, The Communications Commission of Kenya (CCK) is the regulatory authority for the communications sector in Kenya. It was established in 1999 by the Kenya Communications Act (KCA) No. 2 of 1998, CCK's initial mandate was regulation of the telecommunications and postal/courier sub-sectors, and the management of the country's radio frequency spectrum. Due to the rapid changes and developments in technology which have blurred the traditional distinctions between telecommunications, Information Technology (IT) and broadcasting, the Government in January 2009 enacted the Kenya Communications (Amendment) Act 2009. This statute enhanced the regulatory scope and jurisdiction of CCK, and effectively transformed it to a converged regulator. CCK is now responsible for facilitating the development of the information and communications sectors that include broadcasting, multimedia, telecommunications, postal services and electronic commerce.

According to Wikipedia, The Media Council of Kenya is an independent national institution established by the Media Act, 2007 as the leading institution in the regulation of media and in the conduct and discipline of journalists in Kenya. It is mandated to register and accredit journalists, register media establishments, handle complaints from the public and create and publish yearly media audit on the Media Freedom in Kenya. During accreditation the journalists agree to adhere to the Code of Conduct and Practice of Journalism in Kenya, which was created by media practitioners and stakeholders with the view of making Journalism in Kenya a more professional and respectable field.

Media Council of Kenya membership is drawn from media stakeholders in Kenya including the Media Owners Association, Kenya Union of Journalists, Kenya Correspondents Association, Kenya Editors Guild, Public Relations Society of Kenya, Kenya News Agency, Private and Public Universities, the Kenya Institute of Mass Communication and the Law Society of Kenya.

## **1.2 Statement of the problem**

A review of the literature shows that there is no agreement on the definition of CRM due to different backgrounds of the scholars whose perspectives would be either in information system or as marketers. Marketers focus on the customer while information system literature focuses on the technology. There is also the perspective of practitioners who define CRM differently.

CRM has also been defined as a business strategy, a philosophy, a business process as well as a technology Khalid et al (2011). Lun et al (2008) agrees with this view to an extent and adds that CRM is a policy and coordinating strategy mediated by a set of information technologies, which focuses on creating two way communications with customers so that firms have an intimate knowledge of their needs, wants, and buying patterns. While Law Ka Yee citing Parvatiyar and Sheth (2001) defined CRM as a broad strategy and process of acquiring, retaining and partnering with selective customers to create superior value for the company and the customers. Daleen website narrows CRM

to an integrated information system that is used to plan, schedule and control the pre-sales and post-sales activities in an organisation. The clear objective for CRM is to enable a customer to interact with a company through various means including the Web, telephone, fax, e-mail, and snail mail and receive a consistent level of quality service.

Electronic media plays an important role in society by providing information, entertainment and education. In addition, the media plays the role of providing a platform for advertising which is a billion shilling industry that creates employment to thousands of employees worldwide. The media influences and forms opinions regarding politics, lifestyle issues especially amongst the youth who are easily influenced. The media is very important as well because it bridges the communication gap in society. In Kenya, the media has played the role of informing, entertaining and educating society. It has also grown with over 58 licensed players in TV and Fm stations. The media has also reaped huge benefits from advertisers and created employment for thousands of Kenyans.

Many of the researchers carried out such as Anderson and Stekovic (2011) whose study focused on how an organization can motivate stakeholders within the sales department to improve usage considering factors critical for successful implementation of CRM adoption or Mishra and Mishra (2009) study that focuses on the successful implementation of CRM from process perspective in a trans-national organization with operations in different segments are based in the developed world where the challenges may be different from those experienced in developing countries such as Kenya, thus the study will seek to understand if the challenges experienced are similar and what other barriers exist. Locally researches that have been carried on CRM have focused on CRM as a competitive strategy in the banking industry (Kyambati, 2002),

Nyongesa (2006) study focused on the extent and applicability of Customer Relationship Marketing strategies amongst hotels in Kenya, while Mutua (2008) has focused on the use of CRM in improving retention of customers amongst commercial banks in Kenya and Munro (2008) has focused on the challenges and strategic use of CRM in commercial

banks in Kenya. Locally there are no studies that have been carried to find out what challenges have been faced as organizations adopt CRM systems. The focus of this research was to find out what challenges exist in the adoption of CRM systems in media houses in Kenya.

### **1.3 Research Objective**

This study sought to identify the challenges of implementing Customer Relationship Management systems in electronic media houses in Kenya.

### **1.4 Value of the Study**

This study is of significant importance to various groups which include the organizations under which the study is being conducted. The organizations benefit from knowledge that will help them have a more seamless adoption of CRM in the present and future and guide them on inception, implementation and monitoring processes. For the managers and executives involved in the purchase, use and adoption of CRM systems, the study will guide them to see the role that sales people play in compiling and sharing marketing information in their various organizations. The information would be vital for process evaluation.

Others such as IT developers, the challenges and issues raised could help them to improve and develop systems that are cognizant of the challenges raised to enhance robustness of the technology. Research students and scholars should gain insight and the findings forms a basis for further research by the academics and the researchers on CRM systems.

## **CHAPTER TWO: LITERATURE REVIEW**

### **2.1 Introduction**

This chapter reviews literature relating to the subject under study undertaken by various scholars, researchers, analysts and authors. Crucial theoretical and practical issues are raised in relation to Customer Relationship Management, how it is adopted and factors that affect its adoption.

### **2.2 Theoretical Perspectives**

This section reviews various theories in the adoption of technology are reviewed such as the Technological Acceptance Model, The Theory of Planned Behavior and a general understanding of the Diffusion of Innovation theory. Adoption theories try to explain human behavior and its impact on uptake of various innovations in this case technological innovations.

#### **2.2.1 Diffusion of Innovations Theory**

Rogers (1983) reviewed over 3,000 studies of adoption and diffusion of innovations and revealed five general attributes of innovations that regularly influence adoption. These are Relative Advantage which looks at how much better an innovation is perceived to be compared to its predecessor, Compatibility that refers to how consistent an innovation is perceived to be with regard to existing values, past experiences, and the needs of the targeted adopters, Complexity that considers how difficult an innovation is perceived to be to learn and use, Observability, that is how visible the results of an innovation are to others, and finally trialability which looks at how much an innovation may be experimented with prior to adoption. Tornatzky and Klein (1982) added five other characteristics to Rogers (1983) list which include cost, communicability, divisibility, profitability, and social approval.

Rogers developed the Diffusion of Innovations theory that seeks to explain how innovations are taken up in society and postulate that there are five categories of adopters in regard to technology. The five categories consist of innovators who are technically experimental and have an interest in technology itself. The other group consists of early adopters who are technologically conversant as well interested in technology for use to address both professional and academic problems. The early majority are practical and make up the normal group. The late majority are not at ease with technology and are skeptical about its use they make up the other half of the normal group. Laggards are those who may never adopt technology and can be critical and antagonize others using it.

In order for a technology to be adopted or diffused considerations of issues and needs raised by early adopters and early majority should be addressed. Early adopters and early majority need to be recognized and accepted as unique individuals and involved in the planning and policy process or else they will resist the technology. Early adopters and early majority are an important part as well in ensuring that the technology is diffused to the late majority and laggards. There is need for vertical structures supporting the users to overcome technophobia as well as need for a clear understanding of the purpose or existence of the particular software. Other factors put across to support uptake are peer support to help users work with the system and practical use of the technology so that the late majority and laggards are able to actually see how it can help in their work.

### **2.2.2 Theory of Planned Behavior**

Ajzen (1980) formulated the Theory of Reasoned Action where he postulates that a person's behavior is determined by intention to perform the behavior and that this intention is, in turn, a function of attitude toward the behavior and subjective norm. Behavior is best predicted by intention. Intention is the cognitive sign of a person's readiness to perform a given behavior, and it is considered to be the immediate precursor of behavior. Intention is determined by three things: their attitude toward the specific behavior, their subjective norms and their perceived behavioral control.

Ajzen (1991) developed the Theory of Planned Behavior that holds that only specific attitudes toward the behavior in question can be expected to predict that behavior. In addition to measuring attitudes toward the behavior, there is need to measure people's subjective norms which are beliefs about how people they care about will view the behavior in question. To predict someone's intentions, knowing these beliefs can be as important as knowing the person's attitudes. In conclusion, perceived behavioral control influences intentions. Perceived behavioral control refers to people's perceptions of their ability to perform a given behavior. These predictors lead to intention. A general rule, the more favorable the attitude and the subjective norm, and the greater the perceived control, the stronger ought the person's intention to perform the behavior in question.

### **2.2.3 Technology Acceptance Model**

Davis (1989) put across the Technology Acceptance Model that stated that perceived ease of use of a technology and perceived usefulness of the system are factors that determine attitude which in turn determines behavior toward adoption or rejection of a technology such as CRM. Davis adds that perceived usefulness is defined as the extent to which a person believes that using a system would enhance his or her job. Perceived ease of use refers to the extent to which a person believes that using a system would be free of mental effort.

A key purpose of Technology Acceptance Model (TAM) is to provide a basis for discovering the impact of external variables on internal beliefs, attitudes and intentions. Various researchers have carried out extensive empirical researchers that support through validations, applications and replication that support TAM's power to predict use of information systems, they include Davis(1989), Davis (1993), Davis and Venkatesh (1996), Mathieson (1991) amongst others. However, researchers also recognize that TAM is too general to provide meaningful info on users opinions about a specific system.

### **2.3 The concept of CRM**

The development of CRM traces its origins in a number of fields of study. It has its roots in Relationship marketing as it developed over time as companies realized the need to retain their customers through building relations, identifying their needs and trying to meet them at a profit. It has its roots in management as well as information technology, which provides the backbone upon which the CRM systems are run. There is no agreement on the definition of CRM amongst scholars, business practitioners, consultants and vendors as well as on how the systems work.

According to Injazz et al (2003) Customer relationship management (CRM) is a combination of people, processes and technology that seeks to understand a company's customers. It is an integrated approach to managing relationships by focusing on customer retention and relationship development. It has developed as a result in the advancement of Information Technology systems as well as organizational processes in dealing with customers. Other scholars such as Zablah et al (2004) see CRM as a process, strategy, a philosophy, as a capability and/or as a technological tool. This is further explained in the table below:

**Table 2.1: Dominant perspectives on CRM**

<b>Perspective</b>	<b>Description</b>	<b>Implication for CRM Success</b>	<b>Representative Conceptualization</b>
Process	Buyer – seller relationships develop over time and must evolve to perdure.	CRM success is contingent upon a firm’s ability to detect and respond to evolving customer needs and preferences	[CRM is concerned with] the creation and leveraging of linkages and relationships with external marketplace entities, especially channels and end users
Strategy	A customer’s lifetime value determines the amount and kinds of resources that a firm invests in a particular relationship	CRM success requires that firms continually assess and prioritize customer relationships based on their relative lifetime profitability.	[CRM enables companies to] invest in the customers that are (potentially) valuable for the company, but also minimize their investments in nonvaluable customers
Philosophy	Customer retention (and hence profitability) is best achieved through a focus on relationship building and maintenance	CRM success requires that firms be customer-centric and driven by an understanding of customers’ changing needs	CRM is not a discrete project—it is a business philosophy aimed at achieving customer centricity for the company

Capability	Long-term, profitable relationships result only when firms are able to continuously adapt their behavior towards individual customers	CRM success is contingent upon a firm's possession of a set of tangible and intangible resources that afford it the flexibility to change its behavior towards individual customers on an ongoing basis	CRM] means being willing and able to change your behavior toward an individual customer based on what the customer tells you and what else you know about that customer.
Technology	Knowledge and Interaction management technologies represent the key resources firms need to build long-term, profitable customer relationships.	CRM success is primarily driven by the functionality and user acceptance of the technology firms implement in an attempt to build customer knowledge and manage interactions.	CRM is the technology used to blend sales, marketing, and service information systems to build partnerships with customers.

Source: Zablah, A.R., Bellenger, D.N., & Johnston, W.J. (2004).

An evaluation of divergent perspectives on customer relationship management: Towards a common understanding of an emerging phenomenon. *Industrial Marketing Management*, 33, pp. 475– 489.

According to Payne and Frow (2006) the purpose of CRM is to efficiently and effectively increase the acquisition and retention of profitable customers by selectively initiating, building and maintaining appropriate relationships with them. They posit that development of information technology can help with improvement of customer relationship as organizations have an array of database, technologies and CRM applications to use in order to gather large amounts of data, analyze and use. Thus by using a wide range of CRM tools, companies can potentially target their most promising customer opportunities more effectively.

#### **2.4 Sales people and CRM**

Lanis, (2004) defines sales force market information generation as the acquisition and collection of information, by sales people on customers, competitors, and other relevant actors and forces in the sales peoples markets. He sees sales people as people in regular direct contact with customers and their markets that have a unique opportunity to collect market information. This market information is crucial for the organization in planning and executing marketing campaigns, making decisions on how to respond to market needs and strategic planning.

Sales people use CRM to record customer information, follow up, store customer emails, and plan their days as well as record calls. When all this data is kept in one data base they are able to do their work in a more effective and efficient way, they also save time accessing data from different sources. They can be considered to be on the forefront of entering data and thus affect the quality of data received.

Davey (2011) quoting Mc Pheat who states that the challenge organisations face is the very nature of the best itself – sales people love interacting with people, not with CRM programmes.

McPheat adds that sales people would rather make an additional ten calls per day or go out on another two prospect visits than update their records, especially as a lot of their commission is riding on the results that they achieve and not on the records they keep. Mc Pheat argues that the same sales people do not realize is that many of them miss out on following up with prospects, forget crucial information and then using the data ongoing for marketing and seeking new business poses a challenge when records are incomplete or worse still, no records exist.

Davey (2011) quoting Rutherford who adds that “Sales people don’t like using CRM because they don’t see how using the system benefits them personally,” she says. “A lot of sales people work in isolation, and get commission for their own actions. If they make a sale it does impact the wider business of course, but sales is a competitive environment and people will generally see a sale as a personal success.

Rutherford cited by Davey (2011) adds further “With this in mind, it’s hard to justify the usefulness of entering information into a system that may enable someone else to capitalize on their hard work, and potentially lose them some commission. The best sales people are those who take pride in their work and have the competitive edge. The knock-on effect of hiring such people is that they’re unlikely to get the best out of CRM systems.”

## **2.5 Factors influencing CRM adoption**

Vrechopoulos (2008) proposes that companies employing CRM systems must have a clear vision about what to expect from them and how. They should also have a top-down and bottom up commitment on this project from its beginning and during the whole period of its execution. He further states that it must be clear why and how to use a CRM system in order to avoid situations like “we will buy a CRM system because our competitors did it”. Similarly, companies need to clarify what is CRM and what is not as well as avoid unrealistic expectations!

Along these lines, effective measurement and evaluation mechanisms as well as contingency plans should be in place before the execution of any marketing plan.

In relation to people Vrechpoulos (2008) proposes that training and educating all the users of the CRM system is a matter of great importance not just for CRM but for any business information system. He states that many sales people refuse to use CRM systems because they don't have skills to use them. Sales people are also seen as having negative attitudes towards CRM systems simply because they fear that they will lose their bargaining power against the organization simply because they will provide to the system all the information they have about their clients. He postulates that currently, the information belongs only to them thus giving them a competitive advantage and they believe that giving this information in a central warehouse, it will be easier for the company to recruit and train new salesmen in order to easily replace them with minimum cost.

Thus to avoid this attitude Vrechopoulos (2008) proposes that training and education, should have as an objective to communicate to the salesmen the benefits of using such a system and how and why their jobs will be improved by using it. Similarly, strong motives should be provided to salesman as a tool to increase the diffusion of such systems. Specifically, since a CRM system promises efficiency and effectiveness, a percentage of the savings and profit increases caused by CRM should somehow return to sales personnel as bonus. This constitutes a strong motive for increasing the use or start using this system.

The size of an organization affects the adoption of innovative IT according to Thong (1999) as cited by Hung et al (2010). Thong believed that it is essential to examine whether large and small environments affect the adoption of innovative IT. Large organizations are often subjected to many restrictions, and the effects of these restrictions are more significant for them than for smaller organizations.

Furthermore, Thong (1999) as cited by Hung et al (2010) also believed that the characteristics of executives, innovation, and organization could affect the adoption of IT.

Kimberly and Evanisko (1981) proposed that three factors affect innovative adoption they include the characteristics of the leaders of organizations, characteristics of the organization, and characteristics of the environment. Hung et al (2010) in their research stated a number of factors that affect CRM adoption in organization include size of organization, the staff's Information System capabilities, innovation of senior executives, and knowledge management capabilities. Knowledge management capabilities means that organizations based on reliable information capture, manage, and transmit real-time customer product and service information in order to enable organizations to make rapid decisions and improve customer response. Factors related to characteristics of CRM systems include relative advantage which according to Thong (1999) is the benefit gained from adopting the innovation and complexity, that refers to how easy or hard to use the system is.

Large organizations seem to have more resources and a willingness to invest in information systems while small organizations are limited by resources to purchase systems as well as hire the necessary staff to implement these CRM systems. Hung et al (2010) citing Hage and Dewar (1973) believed those who are in the higher levels and have the power to allocate organizational resources will influence the adoption of innovation. Senior executives in organizations are the critical persons to determine the organizational attitude toward innovation because these executives are usually owners and important policymakers.

## **CHAPTER THREE: RESEARCH METHODOLOGY**

### **3.1 Introduction**

This chapter presents the methodology that was used to carry out the study. It further describes the type and source of data, the target population and sampling methods and the techniques that was used to select the sample size. It also describes how data was collected and analyzed. The suitable methodology in this study gives the guidelines for information gathering and processing.

### **3.2 Research Design**

This study adopted a descriptive research design. According to Cooper and Schindler (2003), a descriptive study is concerned with finding out the what, where and how of a phenomenon. This study therefore generalizes the findings from the respondents in the media house involved in adoption of CRM. The main focus of the study was quantitative though some qualitative approach was used in order to gain a better understanding and possibly enable a better and more insightful interpretation of the results from the quantitative study.

### **3.3 Target Population**

The target population of this study was all the 58 TV and FM broadcasting stations registered by CCK and operational in Kenya. As attached in appendix (2), the number was considerably small enough to warrant a census survey.

### **3.4 Data Collection**

The study used primary data whose advantage is with the questions tailored to elicit data for the specific purpose of the study. The Questionnaire attached as appendix (1) was used as a data instrument to collect primary data from the respondents' targeted. The questionnaire was divided into three sections that had questions on bio data, challenges of CRMs adoption and factors that have been put in place to aid adoption of CRMs by the media houses.

Questionnaires were administered to sales and marketing managers in the respective media houses using the drop and pick later technique. Specifically, the study targeted 1 respondent per media house.

### **3.5 Data Analysis**

The study generated quantitative data which were coded and analyzed using descriptive statistics. Responses with common themes or patterns were grouped together into coherent categories. Descriptive statistics measuring central tendency, dispersion and variability were derived from the data. These include mean, standard deviation and variance. It also involved the use of absolute and relative (percentages) frequencies. Quantitative data are presented in tables and explanations are presented in continuous prose.

## CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSION

### 4.1 Introduction

The objective of this study was to identify the challenges of implementing Customer Relationship Management systems in electronic media houses in Kenya. The data from the completed questionnaires were summarized and presented in tables. Percentages and mean scores are used to summarize and describe the data.

### 4.2 Response rate

Out of the 58 questionnaires distributed, 47 were returned dully completed. The average response rate was therefore, 80.85%. The pattern of the response is presented in table one below.

**Table 4.1: Response rate per classification of media houses**

<b>Media House Classification</b>	<b>Frequency</b>	<b>Percent</b>
TV Broadcast	9	19.15%
FM Broadcast	38	80.85%
Total	47	100%

#### **Source: Research Data**

Majority of the respondents at 80.85% were the FM broadcast stations who are a majority in the industry. TV broadcast stations were 19.15%.

### 4.3 Challenges in CRM systems adoption

Of the 47 media stations that responded to the questionnaire, only 22 have implemented the CRM system. The non implementers at the moment are 53.19% of the respondent institutions emphasizing on the need to establish the reasons or challenges for the non implementation.

### 4.3.1 Organizational Characteristics

**Table 4.2: Mean and percentages on organizational characteristics as challenges to CRMs implementation**

<b>Characteristic</b>	<b>Mean</b>	<b>Std. Deviation</b>	<b>Percentage</b>
Organization Vision	1.2	0.62	74.47%
Organization Mission	1.4	0.35	65.96%
Organizational Objectives	2.5	0.81	61.70%
Organization Size	4.85	0.35	91.49%
Organizational information systems capabilities	4.5	1.24	93.62%
Organizational knowledge management capabilities	4.25	0.69	85.10%

**Source: Research Data**

As highlighted in the table above, organization size, information systems capabilities and knowledge management capabilities to a great extent are a challenge to the adoption of CRMs. Organizational objectives, vision and mission are a challenge to a small extent.

### 4.4 Organizational Staffing

The role played by the employee in successfully establishing a relationship with the customer, and in turn, generating customer loyalty is also deemed as a challenge in the implementation process. The responses are summarized in table two below.

**Table 4.3: Mean and percentages on organizational staffing as challenges to CRMs implementation**

<b>Characteristic</b>	<b>Mean</b>	<b>Std. Deviation</b>	<b>Percentage</b>
Staff training initiatives	1.25	0.32	93.62%
Staff education programmes	1.4	0.65	93.62%
Staff motivation plans	3.5	0.61	91.49%
Staff incentive initiatives	4.85	0.35	91.49%
Staff information systems capabilities	4.5	1.24	93.62%
Staff attitude on job security	4.75	0.69	85.10%
Staff knowledge management capabilities	4.5	1.24	93.62%

**Source: Research Data**

Staff training initiatives and staff education programmes are ranked as non challenges for CRMs implementation. To a moderate extent, Staff motivation plans are a challenge to the implementation. Staff incentive initiatives, attitude on job security and knowledge management capabilities are a challenge to CRMs implementation to a great extent.

#### **4.5 Organizational Leadership Characteristics**

At the managerial level, the degree of commitment and participation on the part of those in high management positions and the role of those in the top management positions to sell and to convince those under their supervision of the benefits and results of the CRMs implementation are deemed as a challenge to a great extent as summarized in table three below. These are ranked as leadership style, leadership innovation and leadership commitment.

**Table 4.4: Mean and percentages on organizational leadership characteristics as challenges to CRMs implementation**

<b>Characteristic</b>	<b>Mean</b>	<b>Std. Deviation</b>	<b>Percentage</b>
Innovation of senior executives	4.75	0.35	93.62%
Organizational leadership style	4.85	0.69	93.62%
Organizational leadership commitment	4.5	0.24	91.49%

**Source: Research Data**

#### **4.6 Environment**

With a mean score of 1.2 and a percentage of 93.61%, the respondents opine that the competitive environment through the adoption of the same systems by peers in the industry is not a challenge to the implementation of the system.

#### **4.7 Process**

**Table 4.5: Mean and percentages on process characteristics as challenges to CRMs implementation**

<b>Characteristic</b>	<b>Mean</b>	<b>Std. Deviation</b>	<b>Percentage</b>
Marketing	4.75	0.35	93.62%
Sales	4.75	0.69	93.62%
Services	4.75	0.24	91.49%

**Source: Research Data**

The main processes that involve client interaction with the organization are marketing, sales and services. The study findings rank the all these characteristics as a challenge to a great extent to the CRMs implementation in the media houses.

## 4.8 Infrastructure

**Table 4.6: Mean and percentages on IT Infrastructure as challenges to CRM systems implementation**

<b>Characteristic</b>	<b>Mean</b>	<b>Std. Deviation</b>	<b>Percentage</b>
Over automation	1.2	0.56	94.42%
Appropriate IT network/ platform	4.75	0.46	92.62%
System Design	4.75	0.44	91.95%
IT departments non - participation in corporate decision making	4.5	0.64	92.62%

**Source: Research Data**

CRM systems are managed by the ICT departments in the organizations. Appropriate IT platforms and system designs are considered as a challenge to the implementation by the respondents to a great extent. IT departments non - participation in corporate decision making is also considered as a challenge to a great extent. Over automation is not a challenge as per the findings.

## 4.9 Advantages of Adoption of CRM systems

The merits of adoption of CRM systems include increased operational efficiency (91.49%), Increased sales efficiency (89.36%), Generation of product development knowledge (89.36%), Customer satisfaction and retention (89.36%), identification of cross selling opportunities (87.23%), Improved customer loyalty (85.11%), real time information sharing amongst employees (80.85%), identification of target customers (74.47%), capturing and rewarding expertise of highest performers (74.47%) and generation of sales leads (70.21%). These are summarized in table six below.

**Table 4.7: Advantages of adoption of CRM systems**

Advantages	Percentage
Improved Customer loyalty	85.11%
Increased sales efficiency	89.36%
Increased operational efficiency	91.49%
Identification of target customers	74.47%
Generation of Sales leads	70.21%
Identification of cross selling opportunities	87.23%
Generation of product development knowledge	89.36%
Real time information sharing amongst employees	80.85%
Customer satisfaction and retention	89.36%

**Source: Research Data**

#### **4.10 Steps to overcome challenges in CRM systems Adoption**

All the respondents indicate that the human factor is critical in the CRM systems adoption process for both the client and the employees. Management of client value definition with reference to price, quality, what a customer wants and what the customer gives up in exchange is useful in the implementation. There is need to change employee attitude on adoption of the systems.

## **CHAPTER FIVE: SUMMARY, DISCUSSION AND RECOMMENDATIONS**

### **5.1 Introduction**

The objective of this study was to identify the challenges of implementing Customer Relationship Management systems in electronic media houses in Kenya. This chapter gives a summary of the discussions, conclusions and recommendations drawn after analyzing data.

### **5.2 Discussion**

From the findings, it can be deduced that not all the media houses in Kenya have adopted CRM systems as the implementing institutions are few. Study results indicate that organization size, information systems capabilities, knowledge management capabilities, staff incentive initiatives, attitude on job security, leadership style, leadership innovation, leadership commitment, processes of marketing, sales and services, appropriate IT platforms and system designs are all deemed as challenges to the implementation of CRM systems by the respondents to a great extent. IT departments non - participation in corporate decision making is also considered as a challenge to a great extent.

The study is consistent with Hung et al (2010) research that stated a number of factors affect CRM system adoption including organization size, Staff Information Capabilities and knowledge management capabilities. There is therefore need to consider the size of the organization when adopting CRM systems as big organizations have resources necessary to purchase and implement them while small organizations find the costs can be prohibitive and thus discourage the media house from adoption. The staff Information capabilities are also important as if the data gathered is not well documented it will not help the media house achieve its objectives. The ability to manage the knowledge gathered is also important as if the IT team is not capable of manage the system and document it accordingly it will be a wasted effort.

To a moderate extent, staff motivation plans are a challenge to the implementation. Organizational objectives, vision and mission are a challenge to a little extent. Over automation, competitor activities, staff training initiatives and staff education programmes are ranked as non challenges for CRM systems implementation.

This study agrees with Vrechpolous (2008) that organizations should not adopt CRM systems just because their competitors have adopted them, as indicated in the findings most organizations were not bothered by competitors adopting CRM systems as a factor in adoption. Furthermore, Vrechpolous (2008) sees human factors have an impact on adoption to CRM and that there is need to motivate the staff to see the benefits accrued by adopting CRM Systems. Sales people need to realize the need to document their work to enable them be effective and efficient. They need to realize that adoption of CRM systems will not replace them rather it will improve their working. This can be achieved through staff motivation plans for them to see the benefits accrued and assure them of their job security.

Study results appreciate the benefits of CRM systems adoption which include increased operational efficiency, increased sales efficiency, generation of product development knowledge, customer satisfaction and retention, identification of cross selling opportunities, improved customer loyalty, real time information sharing amongst employees, identification of target customers, capturing and rewarding expertise of highest performers and generation of sales leads.

### **5.3 Conclusions**

Currently, not all the media houses in Kenya have adopted CRM systems thereby missing on the cited benefits from the adoption itself. The challenges to this process are identified as lack of adequate infrastructure, lack of knowledge, lacking leadership and innovation and process. There is thus a need to work around these challenges for effective implementation of these systems.

#### **5.4 Recommendations**

The human factor is critical in the CRM systems adoption process for both the client and the employees. Management of client value definition with reference to price, quality, what a customer wants and what the customer gives up in exchange is useful in the implementation of CRM systems. This is expected to overcome the adoption challenges. There is also need to change employee attitude on adoption of the systems from product centred approaches to client focussed approaches.

#### **5.5 Limitations of the study**

Out of the target 58 media houses, 47 participated in the study. The response rate was therefore 80.85% with a non-response rate of 19.15%. This implies that the findings may have marginal errors resulting from the non response rate. A challenge that forced the researcher to make several call backs in order to get hold of the respondents was getting hold of the marketing representatives to have an appointment as they cited lack of time and busy schedules. This had cost and time implications on the researcher.

#### **5.6 Suggestions for further research**

The study findings are according to the functional (marketing) management point of view within the confines of a service industry. The implementers of the CRM systems views are as well important and should be taken into account in future studies especially the middle level staff, and the designers of the CRM systems for non services. Future researchers may conduct a study targeting the software development personnel in a non service industry.

#### **5.7 Implications for Policy and Practice**

The findings of this study imply that not all the media houses have adopted a CRM system which is a pointer to effects on their performance as their loose on the benefits associated with such systems. There is need to innovate new customized systems identifying both the employee and the customers value attributes.

## REFERENCES

- Ajzen I. (1991) *The Theory of Planned Behaviour, Organization behavior and Human Decision Behaviour Journal*, Vol 50, iss: 2, pp 179-211
- Andersson, L. and Stekovic, K. (2011). *Factors associated with success and failure in CRM system use, a case study of the sales department in a B2B company*, Bachelors thesis, Linnaeus University.
- Bull, C. (2003). *Strategic issues in customer relationship management (CRM) implementation*, Business Process Management Journal, Vol. 9 Iss: 5, pp.592 – 602
- Croteau, A.M. and Li, P. (2003). *Critical success factors of CRM Technological Initiatives*, Canadian Journal of Administrative Sciences, vol. 20, pp.21-34.
- Davey, N. (2011). *Why do salespeople hate CRM and how can we help them love it?* Marketing Technology, <http://www.mycustomer.com/topic/marketing/why-do-salespeople-hate-crm-and-how-can-we-get-them-using-it/133778>.
- Davis, F. D., Bagozzi, R. P., & Warshaw, P. R. (1989). *User acceptance of computer technology: a comparison of two theoretical models*. Management science, 35(8), 982-1003.
- Dimitriadis, S. and Stevens, E. (2008). “*Integrated customer relationship management for service activities: an internal/external gap model*”, Managing Service Quality, Vol. 18 No. 5, pp. 496-511.

- Hage, J. and Dewar, R. (1973). *Elite values versus organizational structure in predicting innovation*, Administrative Science Quarterly 18, 279–290.
- Hsieh, M. (2009). *A case of managing customer relationship management systems: Empirical insights and lessons learned*," International Journal of Information Management, vol. 29, pp. 416-419.
- Injazz, J.C. and Popovich K. (2003). *Understanding customer relationship management (CRM): People, process and technology*. Business Process Management Journal (9) 5 672 – 688.
- Khalid, R., Haslina, M. and Huda I. (2011). *Customer Relationship Management (CRM) Processes from Theory to Practice: The Pre implementation Plan of CRM System*. International Journal of e-Education, e-Business, e-Management and e-Learning, Vol. 1, No. 1.
- Kimberly, J.R. and Evanisko, M.J. (1981). *Organizational Innovation: The Influence of Individual, Organizational, and Contextual Factors on Hospital Adoption of Technological and Administrative Innovations*, Academy of Management Journal 24 (4) 689–713.
- Lanis W.T. (2004) *Sales Force Market Information: Antecedents, Processes and Impact On Sales Performance*, PHD thesis, Oklahoma State University.
- Law, K.Y. (2009). *CRM adoption and its impact on organizational performance*, PhD thesis, University of Nottingham.

- Lun, Z., Jinlin, L. and Yingying, W. (2008). *Customer relationship management system framework design of Beijing Rural Commercial Bank*, in IEEE International Conference on Service Operations and Logistics, and Informatics, pp. 97-101.
- Moore, G.C. and Benabast I.(1996).*Integrating Diffusion of Innovations and Theory of Reasoned Action models to predict utilization of information technology by end-users. Diffusion and Adoption of Information Technology. IFIP - The International Federation for Information Processing*, pp 132-146
- Mishra A. and Mishra D. (2009) *Customer Relationship Management: Implementation Process Perspective Acta Polytechnica Hungarica*, Vol 6, No. 4
- Morgan, R. and Shelby, H. (1994). *The Commitment-Trust Theory of Relationship Marketing*, Journal of Marketing, 58 (July), 20-38. Morris, Michael.
- Parvatiyar, A. and Sheth, J.N. (2001). *Customer Relationship Management: Emerging practice, Process and Discipline*, Journal of Economic and Social Research, Vol. 3. No. 2, pp. 1-34.
- Payne, A. and Frow, P. (2006). *Customer Relationship Management: from Strategy to Implementation*, Journal of Marketing Management 22,135-168.
- Prasongsukarn, K (2009). *Customer Relationship Management from Theory to Practice: Implementation Steps*.AU-GSB e-journal, 17-32
- Rababah, K., Mohd, H. and Ibrahim, H. (2010) *A Unified Definition of CRM towards the Successful Adoption and Implementation,*" in the 3<sup>rd</sup> Lifelong Learning International Conference (3LInC'10), Kuala Lumpur-Malaysia.

- Rigby F., Fredrick F. and Schefter P.(2002). *Avoid the Four Perils of CRM, Havard Business Review on Point article*
- Rogers, E. M. (1983) *Diffusion of Innovations*, 3rd Ed., Free Press, New York.
- Sebestyenova, J. (2007) *Case-based Reasoning in Agent-based Decision based Decision Support System*, Acta Polytechnica Hungarica, 4(1), pp.127-138.
- Shani, D. & Chalasani, S. (1992) “*Exploiting Niches Using Relationship Marketing.*” *Journal of Consumer Marketing*, 9 (3), 33-42.
- Shin-Yuan, H. and Wei-His, H., Chia-An, T. and Shu-Chen, J. (2010) *Critical factors of hospital adoption on CRM system: Organizational and information system perspectives*. *Decision Support Systems* 48, 592-603
- Srivastava, R. K., Shervani, T. A. and Fahey, L. (1999) *Marketing, Business Processes, and Shareholder Value: An Organizationally Embedded View of Marketing Activities and the Discipline of Marketing*, *Journal of Marketing*, vol. 63, pp. 168-179.
- Thong, J.L.Y. (1999) *An integrated model of information system adoption in small businesses*, *Journal of Management Information Systems* 15 (4) 187–199.
- Tornatzky L.G and Klein K.J. (1982) *Innovation Characteristics and Innovation Adoption-Implementation: A Meta Analysis of Findings*, *IEEE Transactions of Engineering Management*, Vol, EM-29, NO.1

Vrechopoulos, A. (2008) *Enhancing the Sales Function through the Effective Adoption of CRM Applications: Lessons Learned and Future Research Directions*, 2<sup>nd</sup> Annual Global Science Institute (GSSI), Athens, June 25-25

Zablah, A.R., Bellenger, D.N., & Johnston, W.J. (2004). *An evaluation of divergent perspectives on customer relationship management: Towards a common understanding of an emerging phenomenon*. *Industrial Marketing Management*, 33, pp. 475– 489.

**APPENDICES**

**Appendix I: Questionnaire**

**Section One: Demographic Information:**

- 1. Name: .....
- 2. Station: .....
- 3. Designation: .....
- 4. Profession:.....
- 5. Number of Employees in the organization: .....
- 6. Number of sales Personnel in the organization.....
- 7. Number of customers for the organization.....

**Section Two: Challenges in Adoption of CRMs in your organization:**

- 8. Has your organization adopted a customer relationship management system?  
Yes ( ) No ( )
- 9. If yes as above, which year was it implemented?.....
- 10. If no in 8 above, do you plan to adopt it in future? Yes ( ) No ( )

**11. Classify the following extent to which the listed variables are considered as challenges to adoption of CRMs On a scale of 1 to 5.**

**Where: 1 – Not at all, 2- To a little extent, 3- To a moderate extent, 4- To a great extent and 5- To a very great extent.**

	1	2	3	4	5
Organizational Characteristics					
Organization Vision					
Organization Mission					
Organizational Objectives					
Organization Size					
Organizational information systems capabilities					
Organizational knowledge management capabilities					
Organizational Staffing					
Staff training initiatives					
Staff education programmes					
Staff motivation plans					
Staff incentive initiatives					
Staff information systems capabilities					
Staff attitude on job security					
Staff knowledge management capabilities					
Organizational Leadership Characteristics					
Innovation of senior executives					
Organizational leadership style					
Organizational leadership commitment					
Environment					
Competitor Acquisition of similar system					
Processes					
Marketing					
Sales					

Services					
Infrastructure					
Over automation					
Appropriate IT network					
System Design					
IT departments participation in corporate decision making					

Section Three: Advantages of Adoption of CRMs by media houses

12. What are the potential benefits for your organization from the adoption of CRM systems?

.....

.....

.....

.....

.....

What steps should be taken to overcome the challenges in adoption of CRMs?.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

### Appendix 11: List of Licensed Electronic Media Houses

TV BROADCAST STATIONS	
1	KBC
2	Future Tech Electronics
3	EATN
4	DMTV
5	Royal Media Services
6	Nation Media Group
7	Kitambo Communications
8	Capital Group
9	STV Holdings
10	Lancia Media
11	KTN Baraza Ltd
12	Radio One IPP
FM BROADCAST STATIONS	
13	Stangy Boyz
14	Kenya Episcopal Conference
15	Garissa FM
16	Kalee Ltd
17	IQRA
18	KBC
19	Royal Media Services
20	Nation Media Group
21	GO Commucations
22	Radio Holdings
23	Royal Media Services
24	Capital Group
25	Royal Media Services
26	KBC
27	Koch FM
28	SIDAREC(Pwani)
29	Pamoja Development (Kibera)
30	St Pauls University(Limuru)
31	Kenyatta University(KU)

32	Kenya College of Comms Tech.
33	Radio Africa
34	Regional Reach
35	Neural Digital
36	KBC
37	Toads Media Group
38	Royal Media Services
39	Future Tech Electronics
40	KIMC
40	USIU
41	Kitambo Communications
42	North Eastern Media & Telecomms
43	Lingam Enterprises
44	Royal Media Services
45	Royal Media Services
46	International Broadcasting Bureau (VOA)
47	KBC
48	Radio France International
49	Royal Media Services
50	Biblia Husema Studios
51	Bridge media
52	China Radio International
53	KBC
54	Christ is the answer ministries (NPC)
55	Digitopia
56	BBC
57	EATN
58	Radio One IPP

Source: <http://www.cck.go.ke/licensing/broadcasting/register.html>